

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF MONTGOMERY
COUNTY, VIRGINIA HELD ON THE 1ST DAY OF APRIL, 2010 IN THE COUNTY
ADMINISTRATION CONFERENCE ROOM, MONTGOMERY COUNTY GOVERNMENT
CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT:	Annette S. Perkins	-Chair
	James D. Politis	-Vice Chair
	Gary D. Creed	-Supervisors
	William H. Brown	
	Mary W. Biggs	
	John A. Muffo (5:45)	
	F. Craig Meadows	-County Administrator
	L. Carol Edmonds	-Assistant County Administrator
	Martin M. McMahon	-County Attorney
	Angie Hill	-Financial & Management Services Director
	Marc Magruder	-Budget Manager
	Ruth Richey	-Public Information Officer
	Judy Kiser	-Assistant to the County Administrator
ABSENT:	Doug Marrs	-Supervisor

CALL TO ORDER

The Chair called the meeting to order.

INTO WORK SESSION

On a motion by Mary W. Biggs, seconded by James D. Politis and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Work Session for the purpose of discussing the following:

FY 2010-2011 Budget

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Mary W. Biggs	None	Doug Marrs
James D. Politis		John A. Muffo
Gary D. Creed		
William H. Brown		
Annette S. Perkins		

Assistant County Administrator Carol Edmonds provided the latest information from the state on the change in dollars available for the FY 2010-2011 budget, as follows:

•Revenue from Comp Board as of 3/31/2010	\$ 947,466
•Estimated Flexible Cut	<u>(\$295,259)</u>
Net State \$'s to Add	\$ 652,207
•Rolling Stock Distribution	\$ 126,201
•Less "other revenue cuts"	<u>(\$ 162,727)</u>
•Increased Sales Tax Estimate	<u>\$ 45,000</u>
Total Other Revenue	\$ 8,474
•Reduced Insurance Expense	\$ 50,000
(Property, Liability, & Workers Comp)	

Grand Total Available = \$710,681

Supervisor John Muffo arrived at 5:45 p.m.

Since this update was received after the budget and tax rate public hearings on March 29th, it was the consensus of the Board that it would be appropriate for staff to prepare a 1-sheet explanation about the additional funds from the state to insert into the pamphlet that was distributed for the public hearing. The 1-sheet explanation should also be inserted in the front of the proposed budget books.

Staff was also asked to distribute information to the citizens about what has already been done to lower costs, such as the hiring freeze that is currently in place. If the current hiring freeze (12 positions to date) was not in place, there would be an additional \$600,000 budget deficit.

For the real estate tax rate, staff provided the following options for the Board to consider:

Plan A

75¢ Tax Rate (4 cents+)

= \$2.7 million and \$700,000 in motor vehicle value change

WHAT IT DOES?

1. Gives priority to Public Safety
2. Restores County Dollars for Schools of \$702,080 and adds \$300,000 as proposed
3. Offsets school recordation tax cut of \$38,191
4. Offsets additional Library revenue cut of \$23,941
5. Offsets additional Registrar revenue cut of \$9,487
6. Provides additional revenue of \$801,789 to:
Offset other reductions, hold in abeyance for FY 12, or offset one-time only money in School Budget

Recommendations:

Offset \$801,789 of the \$913,539 of one-time only money in the School Budget

Estimated Windfall = \$1.4 million

Possible Uses:

1. Rainy Day Fund

Plan B

74¢ Tax Rate (3 cents+)

= \$2.0 million and \$700,000 in motor vehicle value change

WHAT IT DOES?

1. Reduces Proposed Tax Rate 1 cent
2. Gives priority to Public Safety
3. Restores County Dollars for Schools of \$702,080 and adds \$300,000 as proposed
4. Offsets school recordation tax cut of \$38,191
5. Offsets additional Library revenue cut of \$23,941
6. Offsets additional Registrar revenue cut of \$9,487
7. Provides additional revenue of \$121,789 to:
Offset other reductions, hold in abeyance for FY 12, or offset one-time only money in the School Budget

Recommendation:

Offset \$121,789 of the \$913,539 of one-time only money in the School Budget

Estimated Windfall = \$1.0 million

Possible Uses:

1. Rainy Day Fund

Plan C

73 ¢ Cent Tax Rate (2 cents+)

= \$1.4 million and \$700,000 in motor vehicle value change

WHAT IT DOES?

1. Reduces Proposed Tax Rate 2 cents
2. Gives priority to Public Safety
3. Restores County Dollars for Schools of \$702,080 and adds \$300,000 as proposed
4. Offsets school recordation tax cut of \$38,191
5. Offsets additional Library revenue cut of \$23,941
6. Offsets additional Registrar revenue cut of \$9,487
7. Eliminates the Revenue Stabilization Fund (\$564,248)
8. Add to General Contingencies - \$6,037

Estimated Windfall = \$680,000

Possible Uses:

1. Rainy Day Fund

Plan D

72 ¢ Cent Tax Rate (1 cent +)

= \$0.7 million and \$700,000 in motor vehicle value change

WHAT IT DOES?

1. Reduces Proposed Tax Rate 3 cents
2. Gives priority to Public Safety
3. Restores County Dollars for Schools of \$702,080 and reduces \$300,000 to \$124,491

4. Offsets school recordation tax cut of \$38,191
5. Offsets additional Library revenue cut of \$23,941
6. Cuts Registrar by (\$9,487)
7. Eliminates the Revenue Stabilization Fund (\$564,248)
8. Implements 9 FTE reduction in August 15, 2010 instead of Jan. 11 (\$132,590)
9. Reduce hours at consolidated sites 26% (\$120,097)
10. Reduce Sheriff's vehicle replacements 32% (\$47,849)
11. Eliminate Part-time salary in Commonwealth Attorney, Commissioner of Revenue and County Admin. (\$28,000)
12. Eliminate Compensation for Commissions (\$17,000)

Estimated Windfall = \$340,000

Possible Uses:

1. Rainy Day Fund

The County Attorney was asked to determine if the State Code allows for localities to implement a mid-year tax rate adjustment.

There was discussion about the feasibility of implementing a "fee for services" for fire/rescue. Supervisor Creed suggested a committee be established, with a member of the BoS, a representative of each Town Council, the County Administrator and/or Assistant County Administrator and fire and rescue representatives. Supervisor Politis asked that this be listed on the next County/Town Liaison agenda for discussion with the two towns.

OUT OF WORK SESSION

On a motion by James D. Politis, seconded by Gary D. Creed and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Work Session to return to Regular Session. The vote was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
James D. Politis	None	Doug Marrs
Gary D. Creed		
Mary W. Biggs		
John A. Muffo		
William H. Brown		
Annette S. Perkins		

ADD TO AGENDA – CLOSED MEETING

At the request of the County Administrator, a Closed Meeting was added to the agenda as follows:

Section 2.1-3711	(3)	Discussion or Consideration of the Acquisition of Real Property for Public Purpose, or of the Disposition of Publicly Held Real Property Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy of the Public Body
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1. Courthouse Property

On a motion by William H. Brown, seconded by James D. Politis and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Closed Meeting for the purpose of discussing the following:

Section 2.1-3711 (3) Discussion or Consideration of the Acquisition of Real Property for Public Purpose, or of the Disposition of Publicly Held Real Property Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy of the Public Body

1. Courthouse Property

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
William H. Brown	None	Doug Marrs
James D. Politis		
John A. Muffo		
Mary W. Biggs		
Gary D. Creed		
Annette S. Perkins		

OUT OF CLOSED MEETING

On a motion by James D. Politis, seconded by Gary D. Creed and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby ends their Closed Meeting to return to Regular Session. The vote was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSEN T</u>
James D. Politis	None	Doug Marrs
Gary D. Creed		
William H. Brown		
Mary W. Biggs		
John A. Muffo		
Annette S. Perkins		

CERTIFICATION OF CLOSED MEETING

On a motion by William H. Brown, seconded by Mary W. Biggs and carried unanimously,

WHEREAS, The Board of Supervisors of Montgomery County has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Supervisors of Montgomery County, Virginia hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion conveying the closed meeting were heard, discussed or considered by the Board.

VOTE

AYES

William H. Brown
Mary W. Biggs
Gary D. Creed
John A. Muffo
Annette S. Perkins

NAYS

None

ABSENT DURING VOTE

Doug Marrs

ABSENT DURING MEETING

Doug Marrs

ADJOURNMENT

The Board adjourned to Monday, April 12, 2010 at 6:00 p.m.

The meeting adjourned at 8:10 p.m.

APPROVED: _____
Annette S. Perkins
Chair

ATTEST: _____
F. Craig Meadows
County Administrator